



AMERICAN OBSERVER

News and Issues—With Pros and Cons

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Here and Abroad

People—Places—Events

MORE SATELLITES

Before the end of this year, Uncle Sam may hit the moon with an object shot from an American rocket, say U. S. defense officials.

This prediction was made after the launching of America's second earth satellite just a week ago. It is a 3 1/4-pound, 6.4-inch sphere with 2 radio transmitters, sent aloft with the U. S. Navy's Vanguard rocket. The Vanguard, which had failed on 3 earlier attempts to send a satellite into space, is said to be an advanced type of rocket capable of hurling a much larger object into the skies.

Last week, moreover, the Army was reported ready to fire another "Explorer" earth satellite into space. The 30-pound Explorer I, which was launched in January, was America's first artificial moon to challenge Russia's sputniks in space.

MOSCOW TO LONDON

Passenger planes will soon fly between Moscow and London. Soviet and British leaders recently agreed on regular air service between their capitals. Two western air systems—Scandinavian Airlines and a Finnish firm—already fly to Moscow.

OIL FOR EUROPE

Europe, which has long been searching for badly needed oil supplies in other parts of the globe, may have been missing a good thing right in its own backyard. Within the past few years, important new oil deposits have been discovered in Austria, France, West Germany, and other nearby countries. There are hopeful signs that substantial amounts of additional oil deposits lie untapped under Europe's surface.

IS CANCER CURE NEAR?

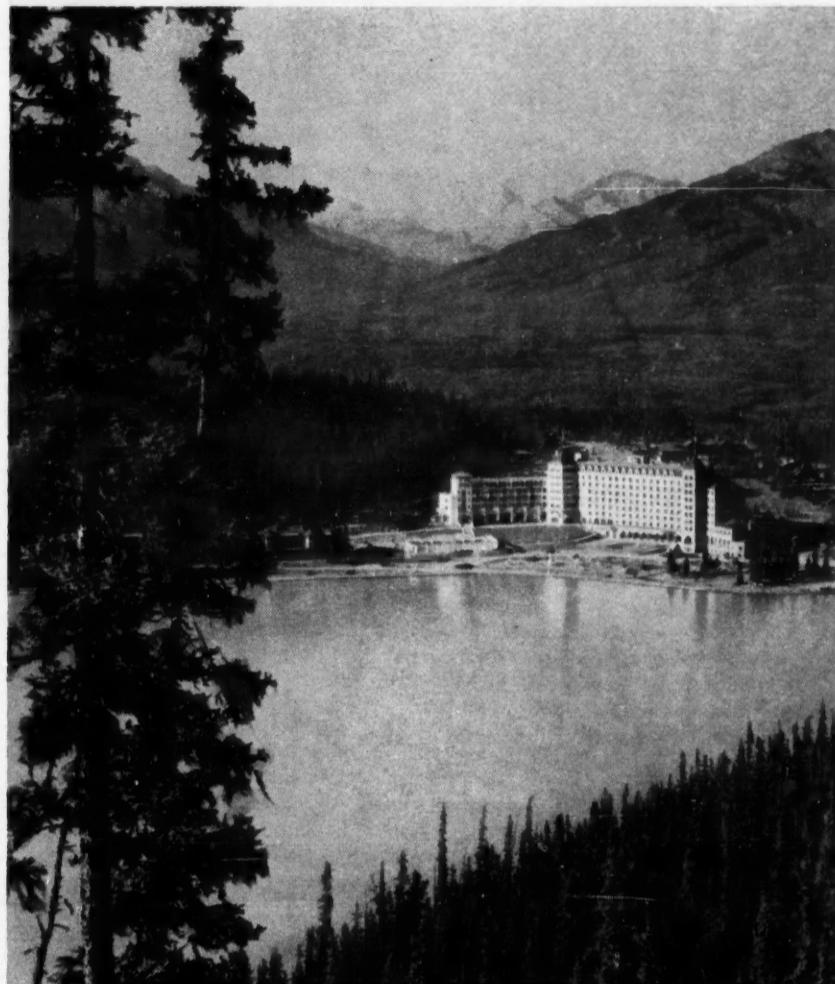
There are increasingly hopeful reports that a cure can be found for one of man's most dread diseases—cancer—in the not too distant future. Recent testimony before congressional groups by medical experts has stressed this optimistic prospect.

All told, more than 250,000 lives are snuffed out by cancer each year in the United States. This adds up to over 1,000,000 victims every 4 years.

ADULTS IN SCHOOL

Young Americans aren't the only ones who are flocking to school these days. There are some 8,000,000 adults enrolled in one or more evening classes in the nation this year, according to the U. S. Office of Education. Most of the adults are over 30 years old.

A large number of the older students take courses in the trades, in business, and in technical fields. Also popular are current events, farming, and the special Americanization studies taken by immigrants who are preparing for U. S. citizenship.



CHATEAU LAKE LOUISE, popular resort hotel at Lake Louise, Alberta, in the Canadian Rockies. Many Americans spend vacations in this scenic land.

Canada Goes to Polls

Next Week, Our Big Northern Neighbor Will Have Second Nation-wide Election in Less Than a Year

NEXT WEEK, Canadians will go to the polls for their second nation-wide election in less than a year. They will choose the 265 members of the House of Commons, Canada's principal lawmaking body. The leader of the party electing the most members will become Prime Minister.

It was only last June that the people of Canada selected members of the House of Commons. The Liberal Party, which had run the government for 22 years, lost to the Progressive Conservative Party whose leader, John Diefenbaker, became Prime Minister.

The Progressive Conservatives (usually known as the Conservatives) failed, however, to win the firm control they wanted. While they won more seats than any other party, they did not hold a majority.

Mr. Diefenbaker soon found it difficult to make long-term plans and carry them out. Lacking a majority of his own party in Commons, he could never be sure that his proposals would win approval.

After surveying the political situation, Diefenbaker decided early last month to call for new balloting. (Under Canada's parliamentary system of government, the Prime Minister may dissolve the House of Commons at any

time he wishes before his 5-year term is up, and request another election.) Diefenbaker feels that his party has a good chance of boosting its lead in the voting to be held on March 31.

At the time Parliament was dissolved, the party standing in the House of Commons was as follows: Conservatives, 113; Liberals, 108; Socialists, 25; Social Credit Party, 19.

To hold an outright majority, a party must control 133 seats. Thus, the Conservatives must pick up 20 more seats if they are to have absolute control.

On the other hand, the Liberals need to win only a few seats now held by Conservatives to take control. Moreover, by gaining 25 seats, the Liberals could hold a majority. Should they triumph in next week's balloting, Lester Pearson, Liberal Party leader, will succeed Diefenbaker as Prime Minister.

The Socialist and the Social Credit Parties are small groups that lack widespread support. They are strong, though, in certain parts of western Canada. The number of seats that they win from the other parties may well determine the outcome of the election.

(Continued on page 6)

America's Big National Debt

Sum Owed by the Treasury Exerts a Strong Influence On Nation's Economy

SOME young people in West Point, Iowa, have sent us the following question: "To whom does the United States owe its 275-billion-dollar national debt?"

This debt has far-reaching influence—not always clearly understood—on America's economic life. Therefore, we devote the present article to the Iowa students' question and to several others that are closely related.

The government owes its huge debt to all the people and corporations that hold federal bonds or other U. S. securities. When anyone buys such securities, he is lending money to Uncle Sam. The national debt is owed partly to *you*, in case you have any U. S. savings bonds or savings stamps.

At the end of 1957, our government owed its debt as follows:

28% to commercial banks, savings banks, and private insurance companies.

25% to individuals—holders of savings bonds and the like.

12% to private corporations (other than banks and insurance firms), and to savings and loan companies, charitable institutions, a few foreign investors, etc.

6% to the various state and local governments.

20% to federal trust funds—such as the one that workers and employers have built through their social security contributions.

9% to the 12 Federal Reserve Banks that head America's banking system.

(You may wonder how the government can borrow from itself, as seems to be done in connection with the Federal Reserve Banks—which are in a sense government agencies—and with the social security deposits. Here is the story: Certain federal funds, such as those we have just noted, are handled separately from the government's regular financial accounts. Therefore, the managers of these funds can lend money to the national treasury in the same way as do private organizations.)

During what periods in our history has the national debt risen fastest?

Mainly in time of war. Just before the Civil War, the debt totaled \$65,000,000. By the time that conflict ended, the figure had risen above 2 1/3 billion.

In 1916—shortly before we entered World War I—the government owed less than 1 1/4 billion dollars. By 1919, the debt had risen to 25 1/2 billion.

U. S. government indebtedness climbed to 40 billion dollars by 1939. During the 1940's it shot upward

(Concluded on page 2)

National Debt—Before and After Major Wars

YEAR—JUNE 30,	AMOUNT	PER CAPITA
1860	\$65,000,000	\$2.06
1865	\$2,678,000,000	\$75.01
1915	\$1,191,000,000	\$11.85
1919	\$25,482,000,000	\$242.54
1939	\$40,440,000,000	\$308.98
1946	\$269,422,000,000	\$1,905.42

Source: U. S. Treasury Department

THE NATIONAL DEBT has risen sharply during every big war in which forces of the United States have had to fight

Our Public Debt and Its Role in Nation's Economy

(Concluded from page 1)

rapidly as a result of World War II—reaching the 200-billion level in 1944.

At the end of June 1946, the debt stood at 269½ billion dollars. It declined for a while, but rose again during the Korean War. Since 1953, the figure has remained in the general neighborhood of 270 to 275 billion dollars.

The present 275-billion figure represents a federal debt of nearly \$1,600 for each man, woman, and child in America.

How does the amount owed by the U. S. government compare in size with the total of other debts in this nation today?

According to a simplified estimate, the total amount of debt in our country is approximately 758 billion dollars. The federal government owes 36% of it, while state and local governments account for 6%.

Private corporations carry almost 29% of our debt load. Individuals and business firms (other than corporations) account for 29%.

Private obligations, and those of state and local agencies, have risen far more rapidly than those of the central government during the last 10 years. Federal debts have increased only 7% in this period, while obligations of the country as a whole—public and private—have gone up 68%. Consumers' debts, mainly from installment buying, were nearly 4 times as great at the end of last year as in 1947.

How much money does our national government pay each year as interest on its debt?

It is estimated that the total amount for the year ending next June will be nearly 7.9 billion dollars. This is more than the U. S. government spent for all its activities in any normal peacetime year before 1936.

Not all federal securities yield interest at the same rate. The return you get on a loan to the government depends on the type of bond, note, or certificate that you buy.

Banks and other big concerns often purchase short-term federal securities, representing loans that will be repaid within just a few months. Usually the interest rate is much lower on these than on long-term bonds that are to be held for a number of years.

What are some of the "useful" features of our national debt?

As we have already seen, lending to the federal treasury is a means by which individuals and business concerns can invest their money. If the government sought to pay off all its present debt and stop all its borrowing, the result would be chaos in the financial world.

Federal securities are vital to insurance companies and many other firms. Such organizations like to lend the government large sums of money, because they know that a loan to Uncle Sam is a safe investment which yields a steady return. The same is true of individuals, who sometimes depend on U. S. bonds for part of their retirement income.

Furthermore, government bonds and other securities have become a definite part of the U. S. monetary "machinery." We have noted that the Federal Reserve System, which supervises our banking network, owns billions of dollars' worth of these securities. By expanding or reducing its investment in such bonds, the Federal Reserve can—to a considerable degree—regulate the nation's supply of money. (Exactly how the process works is too complicated to explain in this brief space.)

Despite its important role in the country's economic life, hasn't the national debt grown far too large?

Many people think so, while others disagree. Those who are not particularly worried argue as follows:

"Our country's ability to carry a big debt, as measured by national income, has increased sharply during recent years. The U. S. national income was nearly 5 times as large in 1957 as in 1939. The central government's debt has climbed a little faster than this, but not much. It is roughly 7 times as large now as in 1939.

"In view of our rising income, the debt hasn't grown to dangerous proportions. As Americans boost their output and their earnings, the government's borrowing capacity rises, too.

"It should be mentioned, also, that our government debt is quite different from the indebtedness of a private citizen. When an individual borrows, he obtains money from someone else. When he pays off his debt, the money passes entirely out of his hands.

"Our government, though, represents the whole American population. When people lend money to the government, they are in a sense lending it to themselves. When Uncle Sam returns the money, the people are actually paying themselves back. Viewed in such a light, the debt is no real cause for alarm."

In opposition to this view, arguments are put forth as follows:

"While it would be foolish to talk about paying off the *entire* amount that our government owes, there is reason for grave concern over the height to which this debt has risen. The situation can't be dismissed with a statement that 'we just owe the money to ourselves.' There are too many problems involved.

"For example, look at the annual interest payment—currently about 7.9 billion dollars. This interest lays a heavy tax burden upon our nation. There are many people who don't receive any of the interest, but who—nevertheless—must carry part of the tax load. A big interest-bearing public debt may therefore drain money away from some groups, while giving financial gains to others.

"When prices and living costs are going up, as has been the case during most of the period since World War II, large-scale federal borrowing can be especially harmful. If the funds are obtained from banks, as is frequently true, additional money flows into our economic system and thus makes prices rise even faster. This is why:

"When a bank makes a loan to the government, in return for a bond or some other kind of security, the bank provides Uncle Sam with a new deposit which did not exist before. In effect, new money is created and put into circulation. If our supply of money increases faster than does our supply of consumers' goods, the cost of living shoots upward.

"These are some of the harmful or dangerous aspects of the growth in our national debt."

Will the debt probably rise during the next year or so, or will it decline?

When President Eisenhower sent his budget recommendations to Congress last January, he estimated that the debt could be cut by half a billion dollars in the forthcoming year. He and his advisers knew, of course, that

this estimate could be upset, and most observers now seem to think that it will be.

The debt is expected to rise. According to a measure which Congress adopted in February, it can go as high as 280 billion dollars. The previous "ceiling" was 275 billion—a figure that has now been reached.

There are several reasons for the prediction that our national debt will increase. One is defense spending. Since January, the Administration has added considerably more than a billion dollars to its regular budget requests for military purposes.

Meanwhile, Congress and the President are being put under heavy pressure to boost spending on roads and other "public works" in order to provide new jobs and thus help curb the business slump that is now under way. It is hard to see how the government—with such outlays—can avoid going further into debt unless taxes are raised—and there is almost no talk of a tax increase at the present time.

On the contrary, certain lawmakers think the present business decline calls for a *reduction* in the federal levies on our incomes. They argue: "If we cut taxes, people will have more money to spend. The demand for goods and services will rise. This will stimulate business and reduce unemployment."

Observers who oppose this view say: "Low taxes aren't necessarily a cure for poor business conditions. Low tax rates didn't prevent us from falling into the worst depression in history about 30 years ago. At best, rising costs of government will almost surely boost the national debt in the forthcoming year. We can't afford to cut taxes and thus force the treasury to borrow on an even larger scale."

Whatever the final decision may be, it is bound to affect the U. S. debt picture. In fact, our national debt is practically always involved—one way



ROBERT B. ANDERSON
Secretary of the Treasury

or another—in the headline news of the day.

In conclusion, the writer of this article wishes to thank the Iowa students for their question—but to express the hope that, next time, they will ask an easier one.

—By TOM MYER

Pronunciations

Abdullah Khalil	äb-döö'lä kä-lël'
Aroostook	ä-roös'took
Bagot	bäg'üt
Diefenbaker	dé'fén-bák'er
Gamal Nasser	gä-mäl' näs'er
Habib Bourguiba	hä'bëb böör'gë-bä'
Mikhail Menshikov	mik-hil' mén'shë-köv
Umma	yoo'mä
Ungava	ün-gä'vä

The Story of the Week

Canada's Leaders

Two men—one a winner of the Nobel Peace Prize, and the other a highly respected leader of Canada—are now competing for the post of Canadian Prime Minister (see page 1 story). They are Lester Pearson, newly elected leader of Canada's Liberal Party, and John Diefenbaker, our northern neighbor's present Prime Minister.

Pearson, who will be 61 next month, started his career as a history professor. At 31, he quit his teaching post to join Canada's diplomatic service. He rapidly climbed the ladder of success in this field, and became his country's envoy to the United States in 1944.

Four years later, Pearson became Secretary of State for External Affairs—a post he held until Diefenbaker became Prime Minister last June. Pearson has also served in the United Nations, and was awarded last year's Nobel Peace Prize for his efforts to restore peace in the Middle East after fighting broke out there in the fall of 1956.

Diefenbaker, 62, became Canada's Prime Minister last June when his Progressive Conservative (Tory) Party won an upset victory at the polls. It was the first Tory win over the opposition Liberals in 22 years, and the dynamic Diefenbaker was



Pearson



Diefenbaker

given a large share of credit for the victory.

The Prime Minister was born in Ontario of Dutch descent. He studied law and government at the University of Saskatchewan, and gained wide fame as a defender of the underdog. First elected to Parliament in 1940, he has succeeded in winning the support of his home district ever since.

Fighting Unemployment

Congress is going over a half dozen or more proposals aimed at halting the business slump that began late last year. Some of these suggestions were made by President Eisenhower, while others were proposed by certain congressmen who feel the White House projects don't go far enough in fighting unemployment.

The President's plans include (1) increased federal aid to the states to help extend present payments to unemployed persons; (2) additional federal funds for public works projects, including highways; (3) a speed-up in placing defense orders to stimulate employment, particularly in communities where jobless lists are long; (4) more government loans to persons who want to build or buy homes.

A number of Republican and Democratic congressmen alike support the Eisenhower Administration's program to combat the business slump. But certain lawmakers of both parties re-

EXPANDING WORLD POPULATION

AREA	1958	2000
North America	185,000,000	312,000,000
Latin America	189,000,000	592,000,000
Europe (minus U.S.S.R.)	412,000,000	568,000,000
Africa	220,000,000	517,000,000
Soviet Union	201,000,000	379,000,000
Asia (minus U.S.S.R.)	1,500,000,000	3,900,000,000
Oceania	15,000,000	29,500,000
TOTALS	2,722,000,000	6,297,500,000

Figures are estimates based on new study by United Nations

ESTIMATES of global population now, and 42 years later, in the year 2000

gards the White House proposals as "inadequate." They contend that much more federal assistance is needed to overcome the present high rate of unemployment.

Some members of both parties, for instance, have proposed big cuts in federal taxes to encourage Americans to buy more goods and thus boost employment. Other congressmen want more federal spending than is called for in the Administration plans to bolster business activities.

If Congress approves any of these anti-recession measures, our national debt is likely to climb even higher than it is now (see page 1 story).

Meanwhile, unemployment reached a new high in February—the latest month for which complete figures are available. A total of nearly 5,200,000 Americans were jobless last month—the largest number in 16 years.

Argument by Slogans

"Providing other countries with aid is a 'give-away' program. If 'internationalists' have their way, we might as well change Uncle Sam's name to 'Uncle Sugar,' or 'Uncle Sap.'"

"Persons opposing foreign aid are 'penny-pinchers.' They are 'isolationalists' who have failed to recognize the fact that we belong to a family of nations on the globe."

These are some of the slogans that are tossed back and forth in the current debate on President Eisenhower's proposed overseas assistance program. Do such slogans help clarify the issues involved in foreign aid? Obviously, they do not.

The proper way to decide such controversial issues as overseas aid is by careful study of all facts involved in the matter. Examine differing points of view which throw light rather than confusion on the issue. Then defend your own conclusion with logical arguments, not with meaningless slogans.

Troubled Tunisia

Men, women, and children, barefoot and in tattered clothes, are begging for a piece of bread or a small coin in the streets of Tunis and other cities of Tunisia. They are among the growing number of Tunisians who have been thrown out of work because of their country's troubled relations with France.

Tunisia, which gained its independence from French rule just 2 years ago this month, depends heavily upon trade with France and financial help from that country for a livelihood. But in recent months, the flow of goods

indicated that he may turn to the Reds for help if America and Britain let him down in this particular dispute.

People to People

Last week we pointed out that international student exchange plans are a way in which we and the people of other lands can get to know one another better and become friends. There are many other ways of making friends abroad—ways that are open to every one of us.

We can write to friends and acquaintances overseas and tell them about life in America. We can also support some of the growing number of organizations that foster international friendship.

For specific ideas on what you or your school can do to make overseas friends for America, write to People-to-People, Inc., 45 West 45th Street, New York, N. Y. This non-profit group is directed by Charles Wilson, former head of General Electric, and is endorsed by President Eisenhower.

Indonesia's Civil War

Troubled Indonesia will undoubtedly bear the scars of its internal revolt for some time to come. The civil war, which broke out a few weeks ago, has heightened the bitterness between 2 major opposing groups in the island country.

On one side is the official government of Indonesia headed by President Sukarno. This regime's headquarters are in the land's capital of Djarkata, on the island of Java. Sukarno has permitted communists to take important posts in his government and he has supported some pro-Red policies.

The opposition group is made up largely of Moslem Party members and others who want nothing to do with communism, and who have been trying to set up an anti-Red government. Many Indonesians who support this side also contend that the Sukarno regime favors Java at the expense of the many other islands which make up the Southeast Asian land. The rebels set up their headquarters on the big island of Sumatra.



UNITED PRESS
TEEN-AGERS chosen as a Girl Scout advisory committee to suggest national and international youth projects for fellow Scouts in all parts of the country. They are (from left): Dee Douthit, 16, of Owensboro, Kentucky; Sharon Beekler, 18, of Bozeman, Montana; Ruth Peedin, 17, of Selma, North Carolina; Elizabeth Putnam, 17, of Westfield, New Jersey; and Verla Hamilton, 17, of Denver, Colorado.

The United States and other western nations have taken pains to stay neutral in the Indonesian fighting. At our press time, the final outcome of the internal struggle in the island country is in doubt. Regardless of whether the rebel forces win or lose, however, they have shown sufficient strength to insure that they will have influence over future government policies.

Table Tennis Star

This week, Jackie Lynn Koehnke of Glen Ellyn, Illinois, will go after international honors in table tennis at a big tournament in London, England. From March 25 to 29, young champions from England, Germany, Sweden, France, the United States, and other lands will compete in the popular, indoor sport.

Sixteen-year-old Jackie is the present U. S. girls' champion, and is also the holder of a Canadian title. An ex-



U. S. GIRLS' TABLE TENNIS champion, Jackie Koehnke, 16, of Glen Ellyn, Illinois, who is seeking world laurels this week in London

cellent athlete, she was captain of a girls' basketball team at Glenbard High School. Riding horseback is a favorite summer activity.

Many people in northern Illinois know the young table-tennis champ as Jackie Lynn, the singing star of "Junior Jamboree." This radio show for teen-agers is broadcast regularly from Evanston, Illinois.

Know Your Congress

What identifying marks do bills and other congressional proposals have?

Proposed legislation is labeled HR or S, depending upon whether it originates in the House of Representatives or the Senate, and is numbered from 1 on up. The first measure introduced in the House at the beginning of a new session, for example, becomes HR-1. The first one in the Senate becomes S-1. These bills also generally carry the names of 1 or more lawmakers who introduce them.

In addition to bills, there are *House* or *Senate resolutions*. They are acted upon by only 1 house of Congress, and generally express the view of that house on a particular matter. *Concurrent resolutions* are opinions expressed by both the House and Senate. None of these measures has the force of law.

A *joint resolution* must be approved by both houses of Congress to become effective. It differs from other resolutions in that it does have the force of

law. In most cases, joint resolutions, like regular bills, must be signed by the President to go into effect.

Blossom Festival

Thousands of Americans, including many high school students, are on their way to Washington, D.C., for the annual National Cherry Blossom Festival. During Cherry Blossom Week, which runs from March 25 through 30 this year, the nation's capital will be host to an estimated 500,000 or more visitors.

The chief attraction of the show, if nature cooperates with the planners of the annual springtime festival, will be the beautiful pink and white blooms on the hundreds of Japanese cherry trees. The trees, a gift from Japan some 50 years ago, are located near the Jefferson Memorial and other areas close to the Potomac River.

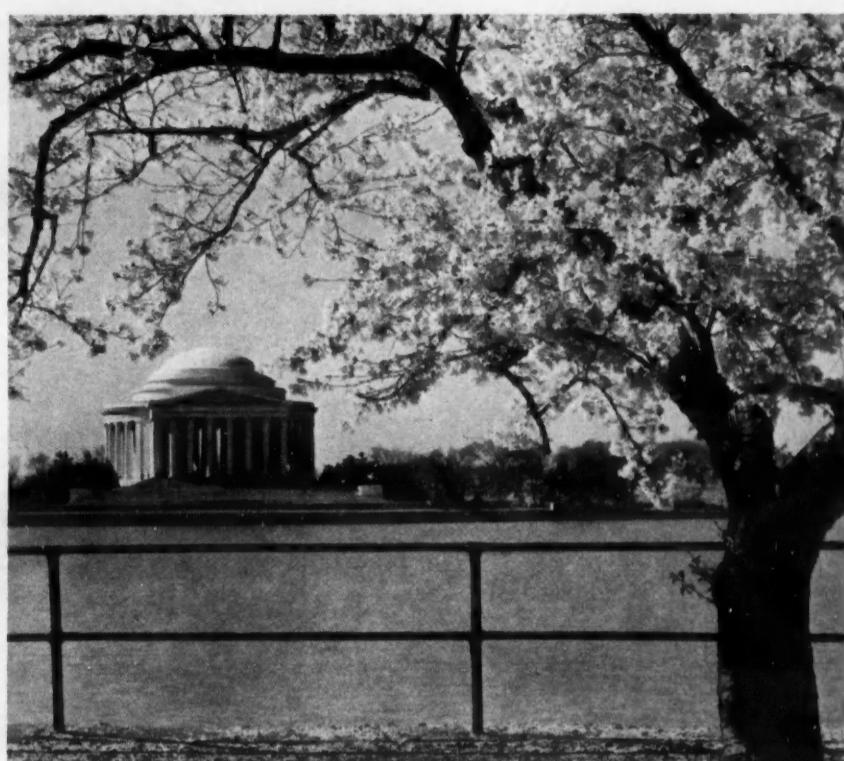
Whether or not the blooms are at their height of beauty at the time of the festival, there will be many special events for visitors. Among the highlights are an evening parade, a water pageant, and a ball. A Cherry Blossom queen will be chosen to reign over the festivities.

Farm Developments

President Eisenhower's farm policies are meeting very strong opposition in Congress. As this paper stated on March 3, Mr. Eisenhower and his Secretary of Agriculture—Ezra Taft Benson—want authority to make sizable reductions in the level at which our government supports the prices of certain farm products.

According to Administration leaders, present-day price supports are high enough that they encourage farmers to overproduce certain crops. Many lawmakers, though, feel that a reduction in price supports would work a new hardship on farmers—without really helping to solve the problem of crop surpluses.

On March 13, the Senate approved a measure that would keep all farm price supports from dropping below last year's levels. If this bill becomes law, the Administration will have less



IN THE NATION'S CAPITAL, the famous cherry trees—a gift made long ago by Japan—will be blooming soon, and draw thousands of admiring visitors

authority to make cuts in price supports, instead of the greater authority it had requested.

Observers predict that, if the Senate-approved farm measure is passed by the House, too, President Eisenhower will veto it. Senate voting showed that the bill is favored mainly by Democrats and opposed mainly by Republicans.

West Indies Election

Tomorrow, March 25, citizens of 13 small Caribbean islands will go to the polls. They will elect members of the first Parliament for the combined islands, which were united under a single government at the start of this year. Leaders of the British-supervised islands hope the move to combine under one government will eventually lead to independence.

The new union, or federation, is known as the West Indies. It has a

total land area of about 8,000 square miles—nearly the size of Massachusetts—and some 3,000,000 people.

The Parliament will meet for the first time April 22 in Trinidad, capital of the West Indies. Britain's Princess Margaret plans to be there for the purpose of officially opening the legislature. Also on hand will be Governor-General Lord Hailes, Queen Elizabeth II's permanent representative in the West Indies.

(For further information on the new Caribbean federation, see January 20 issue of this paper.)

This and That

Sudan's voters chalked up a win for the pro-western Umma Party in that country's first nation-wide elections held earlier this month. The election results mean that the government of Prime Minister Abdullah Khalil, who favors friendly ties with western nations, is likely to continue in power.

Meanwhile, Sudanese parties calling for a union with Egypt made a rather poor showing at the polls. Egypt has been trying to get Sudan to join the United Arab Republic, of which the former country is a dominant member.

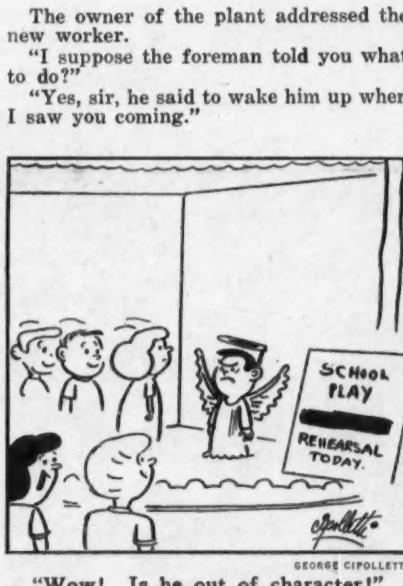
SEATO members, who met not long ago in Manila, capital of the Philippines, have agreed to set up special technical and engineering schools in Southeast Asia. Plans were also made at the parley to increase economic aid to the 3 Asian pact members—Thailand, the Philippines, and Pakistan.

In addition to these 3 countries, SEATO is composed of the United States, Britain, France, Australia, and New Zealand. The chief purposes of the pact are to halt the spread of communism in Southeast Asia, and to help improve living conditions in that part of the globe.

Next Week's Articles

Unless unforeseen developments arise, the main articles next week will deal with (1) foreign trade, and (2) Japan.

THE LIGHTER SIDE



Collie: Someone has been stealing my bones!

Fox Terrier: Why not call a police dog?

Customer: Do you have the same razor you used on me yesterday?

Barber: Yes, sir.

Customer: Then give me gas, please.

Boring Guest: Now, don't trouble to see us to the door.

Hostess: Oh, it's no trouble—it's a pleasure.

I adore lying in bed and ringing the bell for my maid.

Do you have a maid?

No, but I have a bell.

Husband: Why did you date the letter the 14th when this is only the 10th?

Wife: Well, I was planning on asking you to mail it.

Magician (to small child whom he calls to the platform): Now, little boy, you have never seen me before, have you?

Child: No, daddy.



SECOND LARGEST COUNTRY in the world, after Soviet Union, Canada now has population estimated at 16,745,000

Canada Votes

(Continued from page 1)

Campaign issues reflect current economic and political conditions inside the country. Before examining opposing views on these issues, let us take a look at the land and people of Canada and at recent developments there.

Vast country. Among the nations of the world, Canada is outranked in size only by the Soviet Union. Its area of 3,845,774 square miles is slightly greater than that of all Europe. Canada is bigger than the United States and Alaska together.

Anyone traveling across southern Canada finds natural regions much like those directly to the south in the United States. Thus, the Maritime Provinces (Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland) remind one of New England. The industrial and farming regions of Ontario resemble those of New York State and Ohio.

The prairie provinces of Manitoba, Saskatchewan, and Alberta are a great deal like Montana, Minnesota, and the Dakotas. The Rocky Mountains push northward from Montana and Idaho into western Alberta and British Columbia.

Quebec has less resemblance to the United States than most other parts of Canada. In early days, the French settled here along the banks of the St. Lawrence River. The French language is still widely spoken throughout the province.

Canada's people. Most of the country's 16,745,000 people are concentrated in areas along the southern border. Nine-tenths of them live within 200 miles of the United States.

Like our own nation, Canada is a "melting pot" of many nationalities. About half of its citizens are descended from English, Irish, and Scottish settlers. Though Canada is a wholly independent nation, she retains ties with Great Britain through membership in the Commonwealth of Nations.

Almost a third of Canada's people are of French descent. (While the majority of Canadians speak English,

both French and English are official languages.)

The remainder of the Canadians are of many different descents—German, Polish, Italian, Scandinavian, Ukrainian, and others. There are more than 150,000 Indians and Eskimos in that country.

Since 1951, more than 1,000,000 new settlers have arrived. About 282,000 came in last year (including more than 11,000 from the United States).

Industrial growth. Encouragement of immigration is evidence of Canada's industrial boom of the past 15 years. There has been an urgent demand for more people to work in the mines, to man the factories, to tend crops, and to take over other jobs in the expanding economy.

Abundant natural resources furnish the basis for the nation's growth. Canada ranks among the leading countries of the world in production of nickel, copper, iron ore, platinum, asbestos, gold, silver, uranium, and zinc. There are large quantities of petroleum, aluminum ore, and coal.

One is impressed by the bigness of many of the industrial projects. For example, in central Quebec, engineers are carving out a huge tunnel, $7\frac{1}{2}$ miles long, hundreds of feet beneath the Laurentian Mountains. It will carry water to produce electricity for powering the world's largest aluminum smelter.

Just north of Lake Huron in a region that only $3\frac{1}{2}$ years ago was little else but rocks, ponds, and trees, a uranium mine is now turning out 6,000 tons of ore a day. The company that runs it and other mines is the world's largest producer of uranium.

Alberta's oil fields—discovered since World War II—today supply much of the country's petroleum needs. Presently the search for oil and other mineral wealth is being pushed in the vast, unexplored northland—a region of lakes, forests, and Arctic swamps.

Other resources. Fertile croplands are a major asset. On the plains of Manitoba, Saskatchewan, and Alberta, millions of bushels of wheat are raised. In Ontario, Quebec, British Columbia, and the Maritime Provinces, fruit and

vegetables are grown, and there is much dairy farming.

Canada's main export is newsprint—a product of the country's rich forests, which also are the source of great amounts of timber. There are bountiful fishing grounds off both the Atlantic and Pacific coasts.

Ties with U. S. The close, friendly relations of Canada and the United States are a matter of long standing. It is to the advantage of both nations to cooperate in many fields.

In defense, for example, we work together in planning North America's protection. Many radar stations, manned by American servicemen, are located in northern Canada. They are intended to give early warning of aircraft approaching southern Canada and the United States over the north polar region. (This route is the shortest one from the Soviet Union to our nation.) Canada is also a reliable partner in the North Atlantic Treaty Organization.

In the St. Lawrence Valley, our countries are cooperating in a big

navigation and electric-power project. When completed, it will permit large ocean vessels to enter the Great Lakes.

The United States and Canada are major trading partners. We buy almost 60 per cent of the goods that our northern neighbor sells outside its borders. Our chief purchases include newsprint, planks and boards, wood pulp, and mineral products.

Canada is a leading customer for U. S. goods. We supply her with 73 per cent of the products she gets from other countries. Her biggest purchases are manufactured goods—especially farm and industrial machinery, and automobile parts.

Points of friction. When 2 countries share a common border of 4,000 miles and are continually dealing with one another, it would be unusual if there were not occasional disagreements. Today a number of differences exist.

Many Canadians are concerned about the lack of balance in trade between the 2 nations. In recent years, we have been selling annually to Canada at least 1 billion dollars' worth of goods more than she sells to us.

How does Canada earn enough dollars each year to pay for her large purchases of products here? Since she annually sells a billion dollars less of goods to us than she buys from us, isn't she short of our money by this amount?

The answer is "yes." She couldn't continue to carry on this unbalanced trade with us if it were not for the fact that Americans are investing heavily each year in Canadian industries. Many of the dollars invested for this purpose help Canada pay the billion dollars which she owes the United States over a year's time.

Although our northern neighbor needs U. S. money to develop its mines and build its factories, many Canadians are concerned about the control that U. S. citizens are thereby gaining over industry in that country. They point out that Americans own more than half of Canada's mines, factories, and oil industry. They fear that this will permit the United States to dominate Canada's economy.

Many of our northern neighbors are also concerned about U. S. moves which they think unduly limit their chance to sell Canadian goods both here and in other lands. For example,



CEMENT PLANT and oil storage tanks in Montreal, Canadian industrial center

they feel that our selling surplus wheat abroad at low prices has deprived them of markets for their own wheat.

There is considerable resentment, too, over a recent U. S. decision to cut oil imports from Alberta, and over a threatened increase in U. S. tariff rates on lead and zinc—which would reduce Canadian sales of these minerals.

Our officials say that the sale of wheat abroad and the imposition of tariffs and other trade regulations are necessary to safeguard the interests of American producers. Certain leaders in our country, however, agree with the Canadian point of view on this issue. They feel that so long as we are selling far more to Canada than she sells to us, we should not block her attempts to boost sales here.

Like the United States, Canada is now faced with a business downturn, and this fact is making Canadians more outspoken about their grievances. Prices have been dropping on copper, newsprint, and certain other products. Unemployment is rising.

Election issues. It is against this background that the present election campaign is being fought out.

To reduce unemployment, the Conservatives propose a public-works program under which many jobs would be created on government construction projects—highways, post offices, etc. The cost would be greater than 1 billion dollars.

Diefenbaker, the Conservative leader, also wants to achieve a better balance in trade with the United States. To do so, he seeks to have Canada buy from Great Britain about 15 per cent of the items it has been obtaining from our country. By reducing purchases from us while maintaining sales to us at the same rate, he feels that the trade situation will be much healthier.

The Liberals feel that a better way to combat unemployment is to cut taxes by \$400,000,000. Since it would give people more money to spend, the tax reduction would—say the Liberals—stimulate the manufacture of goods.

Pearson, the Liberal leader, feels—as does Diefenbaker—that trade with the United States should be better balanced. But before deliberately reducing purchases from our country, he thinks every effort should be made to convince us that Canada's position is right.

Actually, both Conservatives and Liberals want to continue to have a close relationship with the United States, so long as the latter does not exert undue influence in economic matters. The main argument concerns how Canada's economic independence can best be maintained.

Future relations. It seems sure—whichever party wins next week's election—that the 2 big North American nations will remain good friends.

The New York Times expressed this opinion in a recent editorial: "Generally speaking, it can make no more difference to Americans whether the Conservatives or Liberals win than it does to Canadians whether the United States has a Republican or Democratic President. Nothing can change the basic relationships between our 2 countries

" . . . the fact (is) that Canada and the United States could not exist without each other and that we are more closely intermingled than any other 2 democratic nations on earth."

—By HOWARD SWEET



WASHINGTON POST AND TIMES HERALD
NEW SOVIET AMBASSADOR Mikhail Menshikov, and Mrs. Menshikov

Smiling Russian Envoy

His Job Is to Sell Soviet Union's Ideas

WEARING a dark suit, gray hat, and white shirt with neat-patterned lavender tie, a smiling, vigorous looking man of 55 stepped from a Soviet jet-airliner at Baltimore's Friendship Airport early last month. With him was a fashionably dressed woman in dark pink hat and black fur coat.

The 2 were Mikhail Menshikov—who is the Soviet Union's new Ambassador to the United States—and his wife. They had just arrived from Russia to begin their duties in our nation's capital.

Official Welcome

The Ambassador stopped before a waiting crowd. It included a U. S. State Department officer, there to extend our government's official greetings; members of the Soviet Embassy staff, on hand to welcome their new boss; and a number of curious Americans.

He came to America, Menshikov told the crowd in English, as a "representative of peace and friendship." He pledged his best effort "to strengthen understanding" between the United States and the Soviet Union.

His talk ended, the Ambassador turned with his wife toward a waiting car for a 40-minute drive to Washington. Before getting into the car, Mrs. Menshikov halted suddenly.

From her pocket, she pulled out a lapel pin—a shiny model of the big plane which she had just left. She handed the pin to a small boy, who was perched on a fence. The gift was seemingly a friendly spur-of-the-moment gesture.

The Menshikov arrival is a surprising new chapter in the history of U. S.-Soviet relations. It may be the beginning of a good story, with new steps toward world peace as the ending. The story may just as easily turn out badly, as have so many others in which Reds have played a role.

Soviet representatives here in recent years have been cold for the most part. They spoke English poorly, or not at all. They gave few parties, which help foreign envoys to get acquainted with American officials, newspapermen, businessmen, and others. They avoided most parties, except official ones, that Americans gave.

The Menshikovs, by contrast, are appearing in public often. The Ambassador has called on President Ei-

senhower and regularly sees Secretary of State John Foster Dulles on official business. In addition, Menshikov has called unofficially on Vice President Nixon and some members of Congress. He wants to see all members of the Cabinet.

The new envoy and his wife recently attended one of the official dinners the President gives for diplomats. The couple seems to enjoy going to parties, and giving them. Mrs. Menshikov, a dainty, dark-haired hostess, entertains with dinners, showings of motion pictures, and musical programs by visiting Soviet artists.

The Ambassador's wife is manager of the Embassy, as Mrs. Eisenhower is of the White House. For themselves, the Menshikovs have a 7-room private apartment in the big embassy, with 2 maids and a cook. When the cook is off on Sundays, Mrs. Menshikov fixes meals for herself and husband. She avoids sweet desserts; her husband doesn't like them. She is taking regular lessons in English and hopes to read some of our American history books soon.

Their Children

The Menshikovs aren't limiting their interests to Washington. They plan to visit other parts of the country later. Wherever they go, they are apt to talk of their children. Son Misha, 15, and daughter Natasha, 18, expect to come to the United States this summer. They may even go to American schools, although the custom has been that embassy children are taught by Soviet tutors. The 2 oldest sons, ages 20 and 30, are remaining in their country.

With all of their display of friendliness, it must be remembered that the Menshikovs are in our country to promote the interests of their communist government. Doing so is the Ambassador's job.

His chief mission seems to be to convince us that a meeting of President Eisenhower, leaders of nations friendly to us, and heads of communist lands can help bring agreements for keeping peace in the world.

American officials have been holding back, hoping for concrete evidence that the Reds really want to settle differences before we agree to new meetings. The Soviet-U. S. position may be made clearer by the time you read this story.

As a salesman for his country's point of view on world affairs, Menshikov has had wide experience. An expert economist, he brought off a big trade agreement with India and increased that country's friendliness for the Soviet Union before coming to the United States.

Menshikov has lived in our country before, and he apparently feels that he knows how to deal with us. His motto may well be: *Peddle goods with a friendly smile and a joke.*

The Soviet envoy gave a good showing of his ability to charm in a speech at the National Press Club a few weeks ago, when newsmen dubbed him "Smiling Mike."

Menshikov likes tennis, skiing, swimming, boating, and other sports. With a reference to our habit of picking top stars in football and other athletic fields, the club president introduced the speaker as an "All-American Russian." Menshikov laughed.

Rising to give his speech, the diplomat remarked that he had recently addressed the Women's National Press Club (an organization separate from the men's group). There, he noted, about a third of the guests were men. Yet he found only 2 or 3 women on a balcony at the men's luncheon for some 500 persons.

He didn't want to be charged with "interfering in internal affairs," Menshikov said, but it appeared that "fully reciprocal relations" between the 2 clubs were lacking. The use of phrases frequently tossed out by Soviet leaders in diplomatic exchanges brought a big laugh.

The serious part of the Ambassador's address was merely an elaboration of his remarks at Friendship Airport. In answering questions, he showed the well-known ability of Russian officials to dodge straight answers.

A newsman asked why there were so many purges of government officials in Russia, if communism was so strong there. Menshikov replied: "We are very strong. I can assure you of that. Purges? I don't know of any. I've never seen any."

—By TOM HAWKINS

Your Vocabulary

In each of the sentences below, match the italicized word with the following word or phrase whose meaning is most nearly the same. Correct answers are on page 8, column 3.

1. His *posthumous* (pōs'tū-mūs) fame was a result of his brave deeds. (a) surprising (b) recent (c) nationwide (d) after-death.

2. The court is the *bulwark* (bull'-work) of freedom. (a) barrier (b) safeguard (c) enemy (d) voice.

3. Passing the new law makes any previous legislation on the subject *null and void*. (a) unpopular (b) binding (c) subject to change (d) powerless.

4. He was a *voracious* (vō-rā'shūs) reader. (a) excessively eager (b) quick (c) slow (d) intelligent.

5. The senator's *allegations* (äl'é-gāshūnz) were front page news. (a) mistakes (b) campaign funds (c) charges (d) European trips.

6. We heard *innuendoes* (in'ü-ēn'-dōz) that he got his job by foul play. (a) true reports (b) insinuations (c) lies (d) indirectly.

Career for Tomorrow -- In Scientific Fields

ANIMAL scientists are concerned with the study of the human body and of animals. There are many specialized branches of this broad field of study. These include entomology, zoology, physiology, pathology, and the science of nutrition.

Entomologists study insects and how they affect humans, animals, and plants. Some individuals who specialize in this field identify and classify insects, while others seek ways to fight harmful insect pests and help spread those that are beneficial to mankind.

Zoologists are concerned with all phases of animal life—the origin, behavior, diseases, and various activities of animals of all kinds. Some zoologists make field trips to study animals in their natural surroundings. Others work mainly in laboratories, checking into causes of animal diseases and their cures.

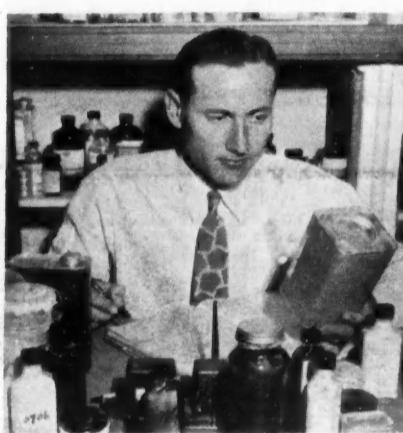
Physiologists study the functions of such parts of our bodies as the heart, glands, and nerves. These scientists conduct experiments to find out how parts of the human body are affected by different foods, changes in temperature, and so on.

Pathologists analyze the causes and effects of illnesses in the human body. They may specialize in finding out about diseases carried by insect pests, and the causes of such afflictions as paralysis.

Nutritionists study the food needs of humans and animals, and the effects of such food elements as minerals, vitamins, and proteins on health.

Qualifications. If you choose this field, you should have a genuine interest in the sciences. In addition, you must have an orderly yet imaginative mind, and you must be patient and attentive to detail.

Training. While in high school, take a college preparatory course with emphasis on the sciences and mathematics.



DEPARTMENT OF AGRICULTURE
ENTOMOLOGIST testing insecticides

Next, you will need at least 4 years of college study. For many of the better jobs in this field, a Ph.D. is required. It takes from 3 to 4 years of additional study for this degree.

Job Opportunities. There are many more job openings than there are persons trained in the animal sciences, and the employment outlook for the years ahead is very good. Persons with Ph.D. degrees especially are in demand.

Many persons trained in this field teach in colleges and universities, or work on research projects conducted by educational institutions. A substantial number are also employed by federal and state government agencies. Others work for industries which turn out chemicals, foods, and other items.

About 1 out of every 10 animal scientists is a woman, and job opportunities for the fair sex are good in this field.

Earnings. Beginners with only 4 years of college study earn a little over \$1,000 a year. Salaries for experienced personnel with advanced degrees go up to \$15,000 or more annually. The average earnings for animal scientists are around \$7,000 a year.

Advantages and disadvantages. The work often combines out-of-door study with laboratory research. Also, there are almost unlimited opportunities for professional advancement.

A disadvantage, to some people at least, is the fact that the work sometimes requires the animal scientist to spend long hours by himself when working on experiments.

Further information. Write to a college or university of your choice and talk to scientists in your area. You can also get information on certain branches of the animal sciences from the U.S. Department of Agriculture, Washington 25, D.C., and from the American Institute of Biological Sciences, 2000 P Street, N.W., Washington 6, D.C.

—By ANTON BERLE

News Quiz

The Federal Debt

1. About how large is our present national debt: 8 billion dollars, 40 billion, 190 billion, or 275 billion?

2. List several groups, or sources, from which the government has borrowed money.

3. Under what circumstances, generally speaking, has our federal debt gone up most rapidly?

4. Over the last 10 years, has Uncle Sam's debt increased faster or slower than the *total public and private American debt load*?

5. Mention some "useful" features of the national debt.

6. Give some arguments used by people who are not greatly worried about the present size of our federal debt, and some arguments of those who view it with deep concern.

7. Why is the debt widely expected to increase in the forthcoming year?

Discussion

1. Do you or do you not feel that the U.S. government's debt is now dangerously high? Give reasons for your answer.

2. Do you favor cutting federal taxes in an effort to stop the present business recession? Why or why not?

Canada's Elections

1. Why is Canada having its second nation-wide election within a year on March 31?

2. How do Canada's natural regions resemble those in the United States?

3. From what lands have Canada's people come?

4. Describe the northern nation's natural resources.

5. In what respects do Canada and the United States cooperate?

6. What points of friction exist between these countries?

7. How do the 2 major parties in that land differ in their election campaign appeals?

8. Why—regardless of the outcome of the campaign—is it generally felt that the United States and Canada will continue to be good friends?

Discussion

1. If you were a citizen of Canada, which of the 2 major parties do you think that you would favor in the present campaign? Explain.

2. Why do you feel that we and the Canadians have been on so much friendlier terms than have many other neighboring peoples of the world?

Miscellaneous

1. What proposals has the Eisenhower Administration made to halt the current business slump?

2. Tell something about the background of Canadian candidates Lester Pearson and John Diefenbaker.

3. Why is Tunisia's economy in trouble?

4. What is the purpose of forthcoming elections in 13 small British-supervised Caribbean islands?

5. Describe the difference between a House or Senate resolution and a joint resolution.

6. What is SEATO and which countries belong to this group?

7. Briefly describe some past disputes between the United States and Canada.

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"The Historic Relationship of Canada and the United States," by Wilber M. Brucker, U.S. Secretary of the Army, Department of State Bulletin, November 4.

"Canada Evolves 'Pro-Canadianism,'" by Raymond Daniell, *New York Times Magazine*, November 10.

Historical Background -- Northern Neighbor

IN a world bristling with weapons, there is a 4,000-mile undefended border separating the United States and Canada.

The story of how this unusual situation came about dates back to 1817, when Canada was a British colony. The United States and Britain had just fought in the War of 1812, during which many battles occurred along the Canadian frontier. American-Canadian hostility was great, and Britain planned to build up its Great Lakes fortifications.

The situation was ripe for a costly naval race, but the United States suggested the alternative of complete disarmament of the Great Lakes. Suspecting a trick, Britain hesitated, but then agreed. The 2 nations signed the Rush-Bagot Treaty of 1817, limiting naval arms on the Great Lakes to a few small gunboats needed for policing the area.

Later, this policy was extended to other parts of the frontier, but not without severe strains. In the late 1830's, an old dispute over the northern boundary of Maine nearly caused war. Some 12,000 square miles between Maine and the Canadian province of New Brunswick were disputed.

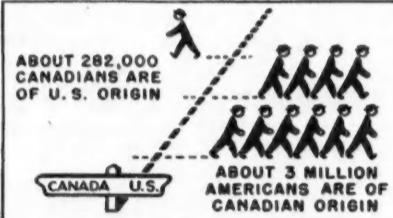
In 1839, a party of Canadian lumberjacks began operations in the valuable Aroostook River Valley, which was part of the disputed area. American lumbermen moved in to fight. Maine and New Brunswick called out their militias, and our Congress prepared for war.

But the "Aroostook War" was ended by a truce before there was actual

fighting, and the issue was one of several settled by lengthy British-American negotiations in Washington. The resulting Webster-Ashburton Treaty, signed in 1842, awarded the United States 7,000 of the 12,000 square miles in dispute.

The treaty of 1842 cleared the air for a time, but soon another part of the U.S.-Canadian boundary flared up, this time in the far west. Here the large Oregon Territory, lying west of the Rockies, was claimed by both Britain and the United States.

In 1844, Polk was elected President



IMMIGRATION through the years has brought changes in citizenship on both sides of the U.S.-Canadian frontier

of the United States, having campaigned on the slogan "Fifty-four forty or fight!" In other words, Polk said that if he were elected he would insist on the northernmost boundary for the Oregon Territory. The heart of the Territory was the Columbia River Valley, and Britain had several times proposed this river as the boundary. But, in 1846, when faced squarely with the American claim, Britain proposed a compromise at the 49th parallel.

The United States was then at war with Mexico, and Polk sensed that many Americans would oppose fighting Britain for all of the Oregon Territory. With Senate approval, he accepted the compromise, which actually was a favorable one for us.

The final Canadian-United States boundary dispute developed in 1896, as a result of the discovery of gold in the Klondike region of Canada's northwestern Yukon Province. Thousands of Americans joined the trek of treasure-seekers, and found the best way to the Klondike was by ship to the narrow southern panhandle of Alaska, and from there over mountain passes to the gold field.

When Canada claimed a boundary that would have cut off the waterway route through Alaska, President Theodore Roosevelt protested vigorously, and threatened to use troops to enforce the U.S. claim. Canada and Britain agreed to arbitrate, and a 6-man tribunal voted 4 to 2 in favor of our country's position.

Since this settlement, the 2 big North American democracies have lived as peaceful neighbors.

There have been disputes over trade and other matters, such as in 1911, when Canada turned down a trade treaty, but neither country has thought of disturbing the border.

—By ERNEST SEEVERS

Answers to Your Vocabulary

1. (d) after-death; 2. (b) safeguard; 3. (d) powerless; 4. (a) excessively eager; 5. (c) charges; 6. (b) insinuations.